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Front Page

Court Hears Litany About Rewald Losers

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U.S. District Judge Samuel King says it is difficult to measure the loss people suffer when they deal with operations such as Ronald Rewald's investment company.

In sentencing Sunlin "Sunny" Wong to prison yesterday for his role in Rewald's company, King said, "the situations are always sadder than they appear" because of the "human misery" involved.

In the past few weeks, much of the attention surrounding the collapse of Bishop, Baldwin, Rewald, Dillingham & Wong has been focused on Rewald's claims

that he was a CIA agent and his company a CIA front.

Even a national network broadcast failed to mention that Wong, company president, had pleaded guilty months ago to mail and securities fraud.

Yesterday, bankruptcy administrator Thomas Hayes was asked to take the witness stand and describe how some of the 400 people involved with Rewald's company have been affected by their dealings with Bishop, Baldwin.

HE GAVE the following examples:

—Terressa Black, who lost her husband and a son in a tragic

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Woes of Bishop, Baldwin Losers

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airplane accident, invested some \$80,000 from the insurance settlement in Rewald's company. All of that money has been lost.

—Cecelia McCormick, on Rewald's advice, withdrew a \$1.3 million trust from a Pittsburgh bank and put it in his hands. "In six weeks he went through that," Hayes testified.

—Rewald talked Nancy Jane Mitchell, 69, into "turning over everything she had," Hayes said. She also gave him her power of attorney, with which he mortgaged her house without her knowledge. "He remortgaged her house to the hilt and wiped her out," Hayes said. Mitchell has sued the mortgage company for allowing Rewald to take the ac-

tion. The money from the transaction, \$227,000, was spent in 10 days, Hayes said.

—Killian Bode was an auto body repairman. Rewald arranged for him to come to the Islands and work at MotorCars Hawaii. Days before the company collapsed, Rewald gave Bode \$75,000. But Hayes was obligated under bankruptcy laws to force Bode to return the money, and as a result, Bode's Wisconsin home is being foreclosed on.

—Nancy Peterson lost her life savings of \$100,000.

—Ret. Air Force Capt. Ned Avary, a former Rewald consultant, has been forced to declare bankruptcy because of the loss of his investment.

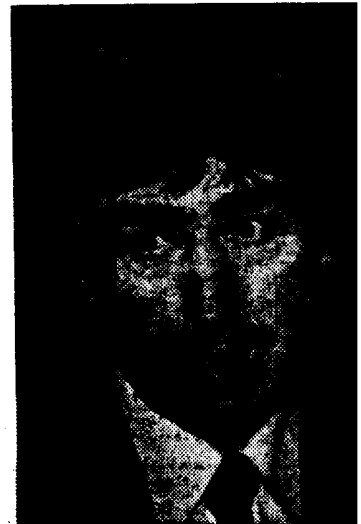
—Franklin Kipilli, Rewald's

driver, lost the \$32,000 he put in the company and was forced to return a \$15,000 car Rewald had given him. He also was divorced by his wife, Hayes said.

—Richard Spiker, a former consultant, is, like many others, unable to find a job since his involvement with Rewald.

HAYES SAID there are "numbers of people who are just simply wiped out" as a result of their involvement with Rewald's company.

On a recent television news program, Rewald said he thinks the money investors put into his company is sitting in some bank. But he has been unable to tell officials where the money is, if it exists.



Ronald Rewald
Told to take a bus